

Montague Retirement Board

Approved January 22, 2003

The Montague Retirement Board shall pay for or make reimbursement to Board Members and the staff of the Montague Retirement Board for all travel and lodging expenses related to training or Board business. The Montague Retirement Board shall also pay for or make reimbursements to Board Members or staff for travel expenses relating to legitimate speaking engagements as provided in section 11.

1. Approval

- 1.1 Requests for travel reimbursements shall be authorized by vote of the Montague Retirement Board in advance. If timing prohibits advance authorization, the Board may choose to approve the reimbursement at the next board meeting.
- 1.2 Requests for travel by Board Members shall be placed on a Board meeting agenda, discussed in open session and approved by a majority vote of the Members of the Board present and voting. The meeting minutes shall reflect the Board's action and the extent of the authorization.
- 1.3 The nature of the travel, its purpose and estimated cost shall be outlined on a travel authorization form. The form must include a statement by the traveler, certifying that the expenses were incidental to the approved travel. Brochures for seminars or other presentations should accompany the request for travel where available.
- 1.4 A statement describing the presentation, conference or seminar should be entered into the minutes of the meeting following the travel.

2. Required Documentation for Reimbursement

- 2.1 Any requests for reimbursement should be completed and properly approved after incurring any travel, transportation, or meal or other travel-related expenses and before reimbursement takes place.
- 2.2 Requests for reimbursements shall be made on approved forms, and submitted no later than 30 days after the expense is incurred.
- 2.3 Original itemized receipts must be submitted for all expenses greater than \$10.00 including transportation, lodging, meals and other expenses incidental to travel.
- 2.4 Expenses that are under \$10 may be reimbursed if they are fully described and the traveler certifies that the expenses were necessary and incidental to the approved travel.
- 2.5 Any travel-related expenditures which have not been properly documented or approved or are not in conformity with the Board's regulations must be rejected or adjusted.

2.6 Reimbursements shall only be made to the person who actually made payment for the expense.

2.7 The reimbursement request form must be signed by the person seeking reimbursement and signed under the pains and penalties of perjury.

3.

Travel Arrangements

3.1 The Executive Secretary shall be responsible for making all travel arrangements and for assisting Board Members in completing authorization and reimbursement forms. Board Members may choose to make their own travel arrangements within the parameters of the regulations.

3.2 When making travel arrangements, government or business rates shall be secured whenever possible.

3.3 An extended stay may be authorized if the net cost to the Board will be lower.

4.

Transportation

4.1 Airline, train, bus, automobile rental, mileage reimbursement, taxi, or other form of public conveyance (as cost effective) may be utilized.

4.2 All travel shall be at the lowest fare available, generally economy/coach fare. In determining the lowest fare, lower fares shall not be considered if they require more than one interim stop each way, require more than one scheduled airplane transfer each way, or have unreasonable departure and arrival times unless the traveler chooses to make such arrangements.

4.3 Payment for airline club memberships by the Montague Retirement System is prohibited.

4.4 The source of rental cars should be a national agency whenever possible. The rental rate shall be negotiated by the staff member responsible for arranging travel. The maximum rental rate allowed for reimbursement shall be for a mid-size sedan. A traveler may rent a more expensive vehicle, but the Board will only reimburse the maximum rate allowed. It is the traveler's responsibility to verify that the rate charged is the rate negotiated.

4.5 If a rental car is used, optional insurance coverage must be accepted.

4.6 Any motor vehicle accidents which occur while using a rental car while on Board-approved travel must be reported as soon as practicable, in writing to the appropriate authorities, with copies of all such reports provided to the Board.

4.7 Reimbursement for fines or other expenses incurred as a result of traffic violations while on Board-approved travel is prohibited. The traveler is personally responsible for such expenses.

- 4.8 If a personal motor vehicle is used for travel, the Board will allow reimbursement at a rate of 32.5 cents per mile traveled. All mileage incurred within each reimbursement request shall be totaled and rounded to the nearest whole mile. The resulting dollar amount shall be rounded to the nearest whole penny.
- 4.9 Parking fees and tolls shall be reimbursed upon documentation as described in section 2.4.

5. Lodging

- 5.0 Overnight accommodations will only be authorized if the distance between the accommodations and the Board Member's residence, less the distance between the Board Member's residence and One Avenue A, is 50 miles or more.
- 5.1 All reservations for accommodations should be made in advance by the Board staff member designated as responsible for making travel arrangements. Individual Board Members may make their own reservations for accommodations if they so desire.
- 5.2 It is the traveler's responsibility to verify that the rate charged is the rate that was negotiated by the staff member. A rate that is higher than the negotiated rate shall not be reimbursed, although the amount up to the negotiated rate shall be reimbursed.
- 5.3 Accommodations shall be made, whenever possible, at the same specific location as the meeting or conference. If space is not available at this location, or if the Board Member or staff member prefers to stay elsewhere, reimbursement shall be made based on actual expenditures, up to a maximum of the amount that would have been charged for an individual staying at the specific location of the meeting or conference.
- 5.4 If registration fees for a conference or seminar include lodging. Reimbursement for additional lodging is prohibited.
- 5.5 If there is no lodging specifically associated with the meeting or conference, reimbursement shall be made based on actual expenditures, up to a maximum of the business rate for a non-luxury hotel.

6. Meals

- 6.1 The maximum reimbursement for individual meals shall be \$7 for breakfast, \$15 for lunch, and \$25 for dinner. The maximum reimbursement for any combination of meals shall be the combined maximums.
- 6.2 Reimbursements for meals shall only be made if the meals were necessary as a result of the approved travel. The appropriate meals will be considered necessary if the approved travel results in the traveler being away from home and office during 5-8 AM, 11AM-2PM, and/or 5-8 PM.

- 6.3 Reimbursements for individuals other than Board Members or staff members of the Montague Retirement System are prohibited.
- 6.4 If lodging packages or registration fees for a conference or seminar include meals, reimbursement for additional meals is prohibited.
- 6.5 Meal gratuities shall be reimbursed to a maximum of 15% of the cost of the meal, excluding taxes and alcoholic beverages.

7.

Other Expenses

- 7.1 Reimbursement for alcohol is prohibited.
- 7.2 Reimbursement shall be made for gratuities paid in accordance with local custom (porters, maids, etc.) upon submission of documentation as required in section 2.
- 7.3 Reimbursement shall be made for miscellaneous business expenses (phone calls, internet connection charges, copying fees, etc.) upon submission of documentation as required in section 2.
- 7.4 Personal expenses such as in-room movies, mini-bar charges, gym fees, entertainment or recreational expenses, laundry and dry cleaning, and payments for any other personal services are not reimbursable. The Board shall have responsibility for making the final determination as to whether a specific expense not listed in the regulations is reimbursable.

8.

Cash Advances

- 8.1 Cash advances are prohibited.

9.

Board Credit Cards

- 9.1 The Montague Retirement Board may authorize the use of credit cards issued to the Board.
- 9.2 All personal use of credit cards issued to the Board is prohibited.
- 9.3 Credit card billings must be issued to the Board office, and the card user must provide receipts for all expenses included in the statement. If receipts are not provided, the user must immediately reimburse the Board for those expenses.
- 9.4 Credit cards issued to the Board may not be used to purchase items that

10.

Personal Travel Combined with Board Related-Travel

- 10.1 If personal travel is combined with Board-related travel, the personal portion of the trip must be clearly identified and paid for by the traveler.

- 10.2 Travel expenses or any other expenses incurred by a spouse, relative, friend or other individual accompanying a Board Member or Board staff member will be considered to be personal travel and will, in no event, be a proper expense of the Retirement Board.
- 10.3 An extended stay may be authorized if the net cost to the Board will be lower. For example, if an airline fare is lowered by staying an extra day and the cost of accommodations and meals for that extra day (for the Board Member or staff member only) results in a net savings to the Board, an extended stay can be authorized and the additional cost of accommodations and meals for that extra day will be considered a Board expense.

11.

Payments or Reimbursements for Expenses by Third Parties

- 11.1 The providing to or receipt by a Board Member or staff member of anything of substantial value from any person, firm, partnership or other entity which may be reasonably expected to seek to do business with or is seeking to do business with or presently is doing business with the Montague Retirement Board or any person firm or other entity that solicits or makes referrals or which may be reasonably expected to solicit or make referrals of any client on behalf of such a person, firm, partnership or other entity is prohibited.
- 11.2 The providing to and the receipt of anything of substantial value from such a person, firm, partnership or other entity indirectly through any person, firm, association, organization or other entity is prohibited.
- 11.3 When a Board Member or Board staff member participates in a legitimate speaking engagement, the Board shall pay all costs and expenses related to such speaking engagement, provided, that the Board Member or Board staff member complies with all of the Board's travel regulations. The Board may accept reimbursement for such travel-related expenses of a Board Member or Board staff member from the third part, only under the following limited circumstances:
- 11.3.1 A Board Member or Board staff member may participate in legitimate speaking engagements in connection with their positions on the Retirement Board or as a member of the Board's staff and the Board may accept reimbursements from third parties necessary to cover travel-related costs for such engagements.
- 11.3.2 Acceptance of an honorarium or any other form of compensation is strictly prohibited.
- 11.3.3 To be considered a legitimate speaking engagement, the presentation must be formally scheduled on the agenda of a convention or conference.
- 11.3.4 The speaking engagement must be scheduled in advance of the Board Member's or staff member's arrival at the event.

- 11.3.5 The presentation must be before an organization that would normally have outside speakers address them at such an event. The presentation cannot be perfunctory, but should significantly contribute to the event, taking into account such factors as the length of the speech or presentation, the size of the audience, and the extent to which the speaker is providing substantive or unique information or viewpoints. The Retirement Board can be reimbursed by a third party for expenses only to the extent necessary for making the speech or presentation.
- 11.3.8 Under no circumstances can a Board Member or Board staff member receive reimbursement or any other payment or compensation from a third party.

12.

Violation of These Regulations

- 12.1 Any person or entity that violates these regulations shall be deemed to have violated the provisions of 840 CMR 17.00 and shall be subject to removal as a qualified investment manager or consultant pursuant to 840 CMR 17.04 (10). In addition, the Public Employee Retirement Administration Commission shall not grant an exemption pursuant to 840 CMR 19.02 or a qualification pursuant to 840 CMR 26.04 if any person or entity that has violated these regulations is the subject of the filing pursuant to those provisions.